GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:2546
ANSWERED ON:10.08.2005
CAPITAL EXPENDITURE ON AGRICULTURE
Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita;Singh Shri Kirti Vardhan

Will the Minister of PLANNING be pleased to state:

(a) whether the capital expenditure on agriculture has come down to 0.4 per cent of the GDP in 2004 as against 1.2 per cent in 1982;

(b) if so, the reasons therefor; and

(c) the measures taken by the Government to raise the capital expenditure on agriculture?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a): Capital expenditure on agriculture and allied services, as per the Indian Public Finance Statistics compiled and published by the Department of Economic Affairs, Ministry of Finance was 0.3 percent of the Gross Domestic Product (GDP) at market prices at current prices in 1981-82 and 0.2 percent in 2003-04. These figures are substantially different than those mentioned in the question. It appears that the figures in the question refer to Gross Capital Formation in public sector in agriculture and allied activities which, as percentage of the GDP at market prices at current prices, has in fact come down to 0.4 in 2002-03 from 1.2 percent in 1981-82.

(b): One of the major reasons for decline in Gross Capital Formation in public sector in agriculture and allied sectors have been inadequate investment for capital formation, particularly in the irrigation sector, due to resources constraint with both the Centre and the States.

(c): The Mid Term Appraisal of the Tenth Five Year Plan has recommended substantial increase in public investment in agriculture and irrigation.